

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1076

ANSWERED ON:22.07.2016

Bank Usage Charges

Azad Shri Kirti (JHA)

Will the Minister of FINANCE be pleased to state:

- (a) whether the Public and Private Sector Banks are levying usage charges on ATMs/internet banking and other transactions from customers, if so, the details thereof;
- (b) whether the Government/RBI has any proposal to do away with the extra charges from the bank account holders; and
- (c) if so, the details thereof along with the steps taken by the Government in this regard?

Answer

The Minister of State in the Ministry of Finance

(a) to (c) As per present guidelines of Reserve Bank of India (RBI), from November 1, 2014, banks are mandated to offer minimum five free transactions per month in own bank ATMs and three in other bank ATMs in six metro centres (Mumbai, New Delhi, Chennai, Kolkatta, Bengaluru and Hyderabad). In non-metro centres, minimum five free transactions per month in own bank ATMs and five in other bank ATMs are mandated. Banks are free to offer free transactions above the mandated limit specified by RBI. Beyond the specified mandated limits, the ceiling/cap on customer charges of Rs.20/- per transaction (plus service tax, if any) will be applicable.

RBI has further informed that it has prescribed maximum charges for National Electronic Fund Transfer (NEFT), Real Time Gross Settlement (RTGS) and Cash at Point-of-Sale (PoS) that can be levied to a customer. The details of charges are given in Annexure.

RBI has further informed that while fixing service charges banks have to ensure that:

- (i) The charges are reasonable and not out of the line with the average cost of providing these services.
- (ii) Customers are made aware of the service charges upfront and changes in the service charges are implemented only with the prior notice to the customers.
